

South Carolina Board of Economic Advisors

Statement of Estimated State Revenue Impact

Date: April 23, 2008

Bill Number: H.B. 4863

Author: McLeod, Funderburk, J.H. Neal, Herbkersman, Clyburn and Cobb-Hunter

Committee Requesting Impact: House WM

Bill Summary

A bill to enact the "County Transportation Committee Enhancement Act of 2008" including provisions to amend Section [12-28-2740](#), as amended, Code of Laws of South Carolina, 1976, relating to the allocation and uses of motor fuels user fees credited to the County Transportation "C" Fund, so as to require a portion of a county's "C" fund revenues to be used for public transit needs, to require representation of public transit stakeholders on the county transportation committee, and revise the allocation percentage on the uses of a county's "C" fund revenues; and to amend Section [12-28-2750](#), relating to the uses of the revenues of the user fee on motor fuels, so as to steer additional revenues of this user fee to the County Transportation "C" Fund.

REVENUE IMPACT ^{1/}

This bill is expected to raise allocations to the County Transportation 'C' Fund by \$83,243,375 and, conversely, reduce revenue earmarked to the State Highway Fund within SCDOT by an offsetting amount of \$83,243,375 in FY 2008-09. It would not impact state General Fund revenue.

Explanation

Effective July 1, 2008, this bill revises allocation and use of motor fuel user fees credited to the County Transportation "C" Fund (CTC) to include requiring a portion be used for public transit. The percentage of a county's "C" fund revenues to be expended for county road-related projects was reduced from 75% to 50% with offsetting allocation of 25% designated as a new share for public transit expenditures. Additionally, it changes language in Section 12-28-2750 so as to redirect all proceeds from the State Highway Fund (SHF) within the S.C. Department of Transportation (SCDOT) to the CTC Fund other than the first \$18 million of fuel user fees specifically allocated to the State Non-Federal Aid Highway Fund (SN-FH) within SCDOT.

Based on the most recent apportionment data provided by SCDOT, we expect this bill would raise allocations to the CTC Fund by \$83,243,375 in FY 2008-09. This total amount is allocated as follows: Public (or mass) Transit, \$37,906,375; County Road projects, \$24,525,969; and State Road projects, \$20,810,781. Conversely, funds allocated to the SHF would be reduced by \$83,243,375 in FY 2008-09 as a result of the shift in use under Section 12-28-2750. This bill would have no impact on state General Fund revenue in FY 2008-09. The attached schedule provides a distribution of CTC Fund estimates by respective county.

Analyst: Di Biase

/s/ William C. Gillespie

William C. Gillespie, Ph.D.
Chief Economist

^{1/} This statement meets revenue impact requirements of Section 2-7-71 for a state impact by BEA, Section 2-7-76 for a local impact or Section 6-1-85(B) for an estimate of the shift in local property tax incidence by Office of Economic Research (OER).

STATE SECONDARY "C" FUNDS PROGRAM
ESTIMATED APPORTIONMENT OF FUNDS FOR FISCAL YEAR 2008-09

Working Paper
 BEA/04/23/08/mgd

										\$151.6 Mil. Total Per CTCEA (H.4863)			\$68.4 Million Base CTC			\$6.5 Mil. Base																		
										As Allocated			As Currently Allocated		Mass Trans.		Net Change: H.4863 vs. Current Law																	
										25% State Roads			25% Mass Transit 1/		50% County Roads		25% State Roads		75% County Roads		Mass Trans. per Sec. 12-28-2725		As Allocated by Program by County											
										Current Law CTC @ 2.66 cents			Fresh CTC Cash Flow per H. 4863		Total: Current & Fresh CTC per H. 4863									State Roads			County Roads		Mass Transit 1/		County			
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